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Cisco UC 500 Communications Systems Terms and Conditions

Terms and Conditions

1. Payment

The Down Payment shall, if any, accompany the signed Statement of Work ("SOW") upon presentation to SaskTel. Other amounts payable pursuant to this SOW shall be due and payable upon the invoice date. Interest at SaskTel's then current rate for overdue accounts shall be charged and paid on any overdue amount. Overdue amounts mean amounts for which payment is received by SaskTel more than 30 days from the invoice date. SaskTel is not obligated to provide any service to Customer pursuant to this SOW while any payments required to be made by Customer remain unpaid. The Customer shall pay all sales or similar taxes that apply to the sale and supply by SaskTel of the equipment and services to Customer pursuant to this SOW and indemnify and save SaskTel harmless from and against any such taxes.

2. Access and Customer Supply

Customer shall permit or obtain the consent of his landlord or building owner for the installation or repair of the equipment supplied by SaskTel and to enable SaskTel to provide services to the Customer. Customer shall obtain any other necessary approvals or permits and shall pay all the charges therefore. Customer shall arrange for SaskTel to have free and unrestricted access to Customer's premises for performing installation, warranty or repair service. Any return calls or unreasonable delays caused by Customer's denial of access shall be charged to Customer at SaskTel's then prevailing rates inclusive of travel time. Customer shall supply at no cost to SaskTel the requisite space, power, lighting, environment, supplemental equipment and facilities as required and specified by SaskTel for the storage, performance of installation, warranty and repair service for the equipment supplied by SaskTel. Changes in the location or environment of the equipment provided to Customer as part of this SOW require prior written consent of SaskTel.

3. Special Provisions

Any training or other services to be supplied by SaskTel shall be as agreed upon between Customer and SaskTel and shall be specified in a Special Provisions attachment to this SOW.

4. Hazardous Conditions

SaskTel reserves the right to refuse to commence or continue any work which in SaskTel's opinion would be done in hazardous conditions. SaskTel shall not be liable in any way to Customer for any refusal to work in or adjacent to hazardous conditions. SaskTel shall comply with all Customers' safety regulations where applicable. Any protective clothing or equipment required as a result of Customer's regulations shall be furnished to SaskTel by Customer at no cost to SaskTel.

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5. Termination by Customer

Customer may cancel this SOW in part or in whole by written notice to SaskTel prior to commencement of work by SaskTel identified in the Project Scope section of this SOW. Upon cancellation by Customer, Customer agrees that SaskTel shall not be required to refund any Down Payment paid by Customer. Customer shall also pay SaskTel for all non-recoverable costs, including equipment restocking, engineering, supply or other costs as determined by SaskTel, to the extent that SaskTel is not reimbursed for those costs by retaining any Down Payment. Cancellation by Customer pursuant to this section is subject to SaskTel's ability to cancel its commitment with any and all of its suppliers.

6. **Default**

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SaskTel, may, at its option, declare Customer to be in default under this SOW and may declare the whole or any part of the unpaid balance of any obligations secured by this SOW immediately due and payable if any of the following events occur:

- a) The failure of Customer to pay to SaskTel as and when the same falls due, any amount owing to SaskTel under this SOW;
- b) Customer fails to perform any of the obligations agreed to be performed by it under this SOW;
- c) Customer has made or furnished to SaskTel a statement, representation or warranty which is incorrect or false;
- d) Customer is adjudged bankrupt or insolvent under any applicable legislation or if receiver/manager is appointed in respect of any assets of Customer or any assets of Customer shall be seized or taken in execution;
- e) Customer ceases to be a going concern; or
- f) Customer admits in writing the inability to pay its debts generally as they become due or takes the benefit of any legislation in force for the winding up or liquidation of a corporation or takes the benefit of any legislation in force for insolvent persons.

7. Remedies of SaskTel

- a) SaskTel shall, in addition to any other rights and remedies, have all the rights and remedies under any legislation applicable to this SOW including, without limitation, any legislation governing security interests in personal property.
- b) Customer agrees that all remedies are cumulative and that SaskTel has the right to enforce one or more remedies successively or concurrently.

8. Force Majeure

SaskTel shall not be liable to Customer for any delay or failure to perform its obligations under this SOW or otherwise if such delay or failure arises from any cause or causes beyond the reasonable control of SaskTel, whether or not foreseeable, including but not limited to acts of God, war, civil unrest, acts of public enemies, acts of third party suppliers and labour unrest such as strikes, slow down and picketing.

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9. Notices

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Any notice under this SOW shall be in writing delivered personally or sent by registered mail, return receipt requested, to the address of either party as specified on the first page of this SOW, unless changed by notice to the other party. Any notice so given shall be conclusively deemed to be given on the date of delivery if personally delivered or on the third business day after the date of mailing if mailed.

10. Waiver

Neither the granting of any time or any other indulgence to Customer, nor the failure of SaskTel to insist upon the strict performance of any covenant, term or condition hereof or to enforce any rights shall be construed as a waiver of SaskTel's rights or remedies and the same shall continue to be in full force and effect. A waiver of any default shall not operate as a waiver of any subsequent default. All waivers shall be in writing and delivered to Customer.

11. Assignment

Customer shall not assign this SOW in whole or in part or any interest therein without the prior written consent of SaskTel.

12. Customer Authorization

Customer authorizes SaskTel to add to this SOW or any Schedule, or Special Provisions Attachment hereto, the Contract number, Customer number, serial numbers, Bar Codes and the Actual In Service Date in the event such matters are not known at the time of the execution of this SOW by SaskTel and Customer.

13. Severability

Should any portion of this SOW for any reason be held to be void in law or in equity, the SOW shall be construed, so far as is possible, as if such portion had never been contained therein.

14. Governing Law

This SOW shall be subject to, governed by and interpreted in accordance with the laws of the Province of Saskatchewan. The parties hereby attorn to the jurisdiction of the Courts of the Province of Saskatchewan in respect of all disputes hereunder.

15. Entire Agreement

This SOW including any Schedule, and Special Provisions Attachment and any amendments to this SOW, constitutes the entire agreement between the parties and there are no representations, warranties or conditions expressed or implied other than as stated in this SOW. This SOW is binding on Customer and SaskTel and each of their respective successors and permitted assigns. Any amendments to this SOW shall be in writing executed by SaskTel and Customer.



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16. Corporation

Customer represents and warrants that if it is a corporation, then Customer agrees that The Limitation of Civil Rights Act of the Province of Saskatchewan, and any amendments thereto, or substitutions therefore, shall have no application to this SOW and the security made, given or created by this SOW.

17. Customer Acknowledgement

Customer acknowledges that it has read this SOW, understands it and agrees to be bound by its terms and conditions and agrees that it is the complete and exclusive statement of the agreement between the parties. Customer warrants that it has full power and authority to enter into, perform and execute this SOW. The person signing this SOW and any Schedule, Acceptance Certificate, or Special Provisions Attachment on behalf of Customer has been properly authorized and empowered to enter into and execute the same.

18. Tariff

The applicable provisions of SaskTel's Non Tariffed Products and Services Schedule apply to the service supplied by SaskTel under this SOW provided that in the event of conflict, the provisions of this SOW shall have precedence over the provisions of such Schedule to the extent necessary to give effect to this SOW.

19. Right to Legal Action

No legal action, regardless of form, arising out of this SOW may be brought by either party more than 2 years after the cause of action has arisen.

20. Liability

- 20.1 SaskTel does not guarantee or warrant uninterrupted or error free operation of the equipment supplied by SaskTel. SaskTel is not responsible for inherent defects in such equipment or for a lack of expected capability or functionality with respect to such equipment. There are no conditions or warranties, express, implied, statutory or otherwise at law, or arising out of course of dealing or usage of trade, and in particular, without limitation, no warranty of merchantability, fitness for a particular purpose or date-related compliance, except as expressly set forth in this SOW, and any such warranty is in lieu of all obligations or liability on the part of SaskTel.
- 20.2 In case of equipment failure or destruction caused by SaskTel's negligence, SaskTel's liability shall be limited to, at SaskTel's option, either the cost of repair or replacement of such equipment.
- 20.3 Except as provided in Section 20.2 above, the Customer agrees that SaskTel's entire cumulative liability under this SOW for any cause whatsoever (including without limitation, negligence, breach of contract or fundamental breach) shall be limited to the price of the equipment sold to Customer pursuant to this SOW.



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Cisco UC 500 Communications Systems Terms and Conditions - Continued

20. Liability - Continued

- 20.4 The Customer agrees that in no event shall SaskTel be liable for (i) any business or economic loss, including without limitation, failure to realize expected savings or loss of use or lack of availability of Customer facilities, including computer resources, telecommunication systems and any stored data, or (ii) any indirect, special, incidental, exemplary or consequential damages in connection with or arising out of the provision, installation or repair of the equipment supplied by SaskTel pursuant to this SOW, howsoever caused, even if SaskTel has been advised of the possibility thereof and whether or not such damages were foreseeable or not.
- 20.5 The Customer agrees that in no event shall SaskTel be liable for any damages, direct or indirect, in connection with or arising out of the Customer's non-compliance with manufacturers or SaskTel's directives regarding the equipment supplied to the Customer by SaskTel.

Terms and Conditions

1. Title

Title to the equipment supplied to the Customer pursuant to this SOW ("Equipment") shall remain vested in SaskTel until the Customer pays in full all amounts due including the total sale price and any applicable taxes and interest to SaskTel. As long as any amount remains outstanding, SaskTel shall retain a purchase money security interest in the Equipment. The Customer shall not sell, mortgage, assign, pledge, encumber or otherwise dispose of the Equipment and shall keep the Equipment free from all liens and charges of any description whatsoever until all sums due to SaskTel are paid in full. If the Customer fails to keep the Equipment free from all liens and charges, SaskTel may, at its option, discharge any lien or charge and add the amount paid to the balance outstanding under this SOW and such amount shall immediately become due and payable.

2. Trade ins

The Customer represents that any equipment traded in by the Customer is owned by the Customer and is free of all liens, or security interests of any kind. Ownership of the traded in equipment shall pass from the Customer to SaskTel upon execution of this SOW. Customer agrees prior to execution of this SOW to provide to SaskTel the serial number, bar code or any other description applicable to the equipment traded in.

3. Installation of Equipment

Upon request of the Customer and in consideration of payment to SaskTel or SaskTel's then prevailing installation charges, SaskTel shall install the Equipment at the Customer's equipment location to the manufacturer's and SaskTel's specifications. SaskTel shall use its best efforts to complete the installation by the Intended In Service Date. The Actual In Service Date is the date on which the Customer signs SaskTel's Acceptance Certificate or where the Customer refuses to sign SaskTel's Acceptance Certificate the date on which the Equipment is installed and functioning so as to be



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Installation of Equipment - Continued

substantially providing the basic service to the Customer for which the Equipment is intended. Minor omissions or variances in the performance of the Equipment, which do not materially affect the operation of the Equipment as a whole, shall not affect or postpone the Actual In Service Date. It is understood that the Intended In Service Date is approximate and SaskTel shall not be liable for damages, direct or indirect, special, consequential or otherwise, resulting from delays. The Customer shall have the option to install the Equipment itself and in the event of Customer installation of the Equipment, any and all expenses of the installation shall be the sole responsibility of the Customer. In the event the Customer chooses to install the Equipment, the Actual In Service Date is the date upon which the Customer removes the Equipment from the SaskTel point of purchase.

Risk of Loss

In the event the Customer requests SaskTel to install the Equipment, SaskTel shall bear the risk of loss, theft, destruction, or damage to the Equipment while in transit to the Customer's location and until delivery to such location is completed. After completion of delivery, all risk of loss, theft, destruction or damage to the Equipment shall be borne by the Customer notwithstanding SaskTel's retention of title. In the event the Customer chooses to install the Equipment on and after removal of the Equipment by the Customer from the SaskTel point of purchase, all risk of loss, theft, damage or destruction shall be that of the Customer notwithstanding SaskTel's retention of title provided in this SOW. It is the Customer's responsibility to ensure that they have adequate insurance coverage for the Equipment.

5. Warranty

SaskTel warrants that the Equipment supplied shall operate in accordance with the manufacturer's specifications for the warranty period stated on the front page of this Schedule B commencing on the Actual In Service Date. At no additional cost to the Customer SaskTel agrees to extend to the Customer the benefit, to the extent provided by the manufacturer and as otherwise permitted by law, of any additional warranties with respect to the Equipment that SaskTel may from time to time receive from the Equipment manufacturer. If SaskTel receives updates, upgrades, fixes, modifications, replacements or enhancements for the Equipment free of charge from the manufacturer (the "Included Updates"), SaskTel shall, at the Customers request, provide any such Included Updates at no cost to the Customer (excluding labour charges), during the Warranty Period. The above comprises SaskTel's entire warranty with respect to the Equipment. During the Warranty Period SaskTel will use reasonable efforts to provide labour and parts required to repair or replace Equipment which has become defective through normal wear and usage. SaskTel shall not be responsible for cosmetic damage or for replacement or repair of parts lost or stolen, or parts damaged through accidents, negligence, by an event of Force majeure, or by any cause other than normal usage of the Equipment. The Customer

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Cisco UC 500 Communications Systems Terms and Conditions- Continued

5. Warranty - Continued

acknowledges that this warranty does not cover any additions or attachments to the Equipment.

Any and all warranties hereunder shall be void and not applicable when:

- a) the Equipment is damaged or rendered unserviceable by act or omission, whether negligent or not, of non-SaskTel personnel, theft, vandalism, fire, water or other peril, or repair, or alteration of the Equipment not authorized by SaskTel, or for any other cause external to the Equipment;
- b) damage is caused by failure of the Customer to provide or continue to provide a suitable installation environment including but not limited to, failure to provide or the failure of adequate electrical power, air conditioning or humidity control;
- c) the Equipment is used for other than the purposes for which the Equipment was designed;
- d) damage is caused by electrical work external to the Equipment;
- e) parts are replaced with parts not recommended by SaskTel for replacement;
- f) such service is impracticable for SaskTel to render because of alterations in or attachments to the Equipment or service required as a result of alterations, modifications, or maintenance being performed on the Equipment by parties other than SaskTel;
- g) damage is caused by misuse or abuse of the Equipment; or
- h) the Equipment is damaged by any cause during installation, moving or relocation of the Equipment by the Customer.

6. Warranty Service

6.1 Warranty service or *First Service* shall be on the site at the Customer's premises, return to point of purchase or return to vendor as indicated on the front page of this Schedule. If warranty service is specified as Return to Point of Purchase, Customer must return the Equipment together with Customer's copy of this SOW to the SaskTel point of purchase. If the Customer has chosen to install the Equipment then the warranty service shall be return to point of purchase unless Customer has specifically requested on-site warranty service. If warranty service is specified as Return to Vendor, Customer must return the Equipment to the vendor. In the event Customer has requested on-site warranty service for Equipment installed by the Customer, Customer shall pay SaskTel's then current labour rates for such service but shall not be required to pay for parts during the term of the applicable warranty period. If the Customer has chosen on-site warranty service, then Customer shall notify SaskTel of Equipment failure by telephone to SaskTel's repair service telephone number as specified on the front page of this Schedule.



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6. Warranty Service - Continued

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- 6.2 **Normal business hours** For the purposes of Warranty Service, normal business hours are defined as 8:00 a.m. to 5:30 p.m. Monday to Friday excluding SaskTel and statutory holidays.
- 6.3 **False call-outs** When SaskTel's personnel attend at the Equipment location due to report of Equipment failure and an Equipment failure does not exist, or if SaskTel determines that the Equipment failure or fault was with or caused by other equipment, or where no Equipment failure or no fault is found, then any of such events shall be considered a false call-out and the Customer agrees to pay SaskTel at SaskTel's prevailing rates for such false call-out, upon invoicing by SaskTel.
- 6.4 **Replacement parts** SaskTel shall at its option, either repair or replace the Equipment or any part which malfunctions or requires repair or replacement. All replacement parts will be furnished on an exchange basis and will be new standard parts or parts of equal quality. Exchanged parts removed from the Equipment become the property of SaskTel.
- 6.5 **Supplies** Warranty service pursuant to this Schedule does not include any replacement batteries, or expendable items necessary for the utilization of the Equipment including paper, tapes, ribbons, and other similar material or supplies which are the sole responsibility of the Customer
- 6.6 **Equipment spares** SaskTel shall not be responsible for providing replacement Equipment on a temporary basis or otherwise while carrying out warranty or repair service on the Equipment unless specifically provided for in a Special Provisions attachment to this SOW.

7. First Service Coverage

If the Customer purchases *First Service* coverage for the Equipment at the time of purchase of the Equipment, then during such coverage period, SaskTel shall provide *First Service* coverage in accordance with the Schedule C attached to this SOW, and at the rates and charges then applicable to such coverage.

8. 30-Day Burn-in Period

If at the time of purchase of the Equipment, the Customer chooses not to purchase First Service coverage, the Customer will receive a 30 day burn-in period commencing from the date the Equipment is installed at the Customer's premises. Throughout this 30 day period, SaskTel will provide on-site support and replacement of the Equipment as determined by SaskTel.

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Cisco UC 500 Communications Systems Terms and Conditions- Continued

9. **Remedies of SaskTel**

- 9.1 SaskTel shall, in addition to any other rights and remedies in this SOW, have all the rights and remedies under any legislation applicable to this SOW including, without limitation, any legislation governing security interests in personal property.
- 9.2 The Customer shall, at the request of SaskTel, assemble the Equipment and make it available to SaskTel at the Equipment location or at such other place as designated by SaskTel which shall be reasonably convenient.
- 9.3 Any and all expenses of SaskTel in retaking, holding, repairing, processing, preparing for disposition and disposing of the Equipment shall include reasonable legal fees and disbursements incurred in connection therewith and the Customer shall indemnify SaskTel for such expenses.
- 9.4 The Customer expressly authorizes SaskTel and its representatives or agents to enter upon the premises of the Customer at the Equipment location at any reasonable time to take possession of any Equipment and assert the rights of SaskTel, and the Customer hereby waives all rights and claims for trespass and damages in any manner thereby caused.
- 9.5 SaskTel shall be deemed not to have elected to retain the Equipment in satisfaction of the obligations of the Customer hereby secured unless SaskTel gives notice, in writing, to that effect to the Customer.
- 9.6 The Customer agrees that all remedies are cumulative and that SaskTel has the right to enforce one or more remedies successively or concurrently.

10. Limited Software License

Whenever applicable, the total charges payable under this SOW includes a perpetual non-exclusive license to use software programs provided with the Equipment in conjunction with the Equipment for the limited purpose of implementing Equipment features. All other right, title and interest in and to such software programs shall remain in SaskTel or its supplier. The Customer agrees not to change or copy the software (except for safeguard or archive copies marked to show SaskTel's ownership), not to make it available to persons who do not need to use it to operate Customer's Equipment system and to destroy it when no longer required for operation of the Equipment. Unless expressly indicated otherwise in this SOW, SaskTel's liability under the warranty or *First Service* coverage for Equipment that comprises software shall be to provide Included Updates at the Customer's request.

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10. Limited Software License - Continued

The warranty or *First Service* coverage, other than Included Updates provided at the Customers request, does not include upgrades, enhancements, fixes, modifications, replacements, updates or new features or functionalities in respect of Equipment that is software. The Customer agrees it is bound by the terms of the software licenses, if any, attached to this SOW or otherwise provided to the Customer.

Service Details

The following table outlines the Service Options offered by SaskTel. Detailed particulars and the terms and conditions applicable to the Equipment Service provided under each plan are contained in this Schedule.

Service Coverage Options

All Service Trouble Calls should be directed to: TAC at 1-866-858-7875

DayTime	Anytime	Guest Support
 08:00 – 17:30 Hrs Monday to Friday (Regular Hours) SaskTel Recognized Holidays Excluded Repair Parts and Labour Included 	 24 Hrs /7 days a week SaskTel Recognized Holidays Included (Major Failures) Repair Parts and Labour Included 	AnyTime Coverage
Spares Included	• Spares Included	

SaskTel Holidays: New Years Day, Good Friday, Easter Day, Dominion Day, First Monday in August, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, and Boxing Day.

Service Definitions and Time Objectives

For Minor Failures:

a) **Active Support -** In response to request for non-emergency Service, SaskTel will dispatch personnel to the Service address or conduct a remote diagnostic assessment during Regular Hours within a target time of twenty-four (24) hours of receipt of a request for Service. If the request is made on the day before a SaskTel holiday or a weekend, the work will then commence on SaskTel's next business day.

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Service Definitions and Time Objectives - Continued

For Minor Failures: - Continued

b) **Restore** – For Restore customers, SaskTel will have the Equipment or service restored within a target time of twenty-four (24) hours of receipt of the request.

For Major Failures:

- a) Active Support SaskTel will dispatch personnel to the Service Address or conduct a remote diagnostic assessment within a target time of three (3) hours from receipt of the request to correct an Emergency condition within the Response Time (as defined in the Emergency Service Definitions below) during the coverage period chosen by the Customer. SaskTel's target response time objective in urban centers is three (3) hours (includes Regina, Saskatoon, Swift Current, Moose Jaw, North Battleford, Lloydminster, Prince Albert, Melfort, Yorkton, Weyburn, and Estevan. In the event of a major power failure, a repair response will occur within a target time of three (3) hours following the restoration of commercial power.
- b) **Restore** Restore customers residing within 100 km of a SaskTel sparing center will have service restored within a target time of four (4) hours of receipt of the request for Service.

In all other locations the target response time objective (as noted for urban centers) is increased by 2 hours plus applicable travel time. Other locations are defined as locations within Saskatchewan below the 54th parallel as well as Meadow Lake, Pierceland, Goodsoil, Peerless, Dorintosh, Rapid View, Green Lake, Loon Lake and Makwa. Any location above the 54th parallel, with the exception of those named is considered a special case to which no response time objective applies and will be dealt with on a case by case basis as agreed upon by SaskTel and the Customer.

Where the Customer initiates an Emergency Service and no Emergency condition is found to exist, SaskTel will assess hourly charges in accordance with SaskTel's then current rates.

A Major Failure/Emergency is deemed to exist when one or more of the conditions noted below have occurred for the Equipment type applicable to this Agreement. Any other problems shall be considered a Minor Failure.

Major Failures on a SaskTel Holiday: Customers with an AnyTime Support package who experience a Major Failure on a SaskTel holiday will have any associated parts and labour costs covered under their First Service coverage, provided personnel are available. Responses to Major Failures on SaskTel holidays are on a best effort basis, and depend on the availability of SaskTel personnel and the number of customers requiring maintenance services. A response cannot be guaranteed on a SaskTel holiday.

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Major Failure/Emergency Service Definitions						
Equipment Type	Active Support Target Response	Restore Service Target Restoration	Symptom			
PBX: Mitel SX200EL SX200ICP Meridian 1 Option 11C CS1000M Avaya Guestworks	3 Hrs	4 Hrs	Console out- of-service that prohibits the passing of calls.	More than ten stations out-of-service.	Major trunk group out-of- service.	Common equipment (CPU) out- of-service.
PBX: Meridian 1 Option 51C Option 61C Option 81C CS1000HG CS1000SG CS1000MG	3 Hrs	4 Hrs	Console out- of-service that prohibits the passing of calls.	More than twenty stations out-of-service.	Major trunk group out-of- service.	Common equipment (CPU) out-of-service.
Key Systems: Norstar Partner ACS BCM UC500	3 Hrs	N/A	Attendant position inoperable preventing processing of calls.	50% or more incoming lines inoperable.	Major trunk group out-of- service.	Common equipment (CPU) out-of-service.
Voice Mail System (VMS)	3 Hrs	4 Hrs	System has lost call processing capability and users cannot access voice mailbox.		50% or more of callers unable to receive personal greeting or (IVMS) Messaging deposit message.	

(Table continued...)

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(Table Continued)

Major Failure/Emergency Service Definitions					
Equipment Type	Active Support Target Response	Restore Service Target Restoration	Symptom		
Wireless Telephone System (WTS)	3 Hrs	N/A	Gateway and/or Server inoperable		
Wireless Access Points	3 Hrs	4 Hrs	More than 20% of Wireless Access Points inoperable		
Converged	3 Hrs	4 hrs	Complete loss of functionality of one or more internetworking devices (e.g. bridge or router) that prevents communication between two or more LAN segments/locations		
Paging	3 Hrs	N/A	Failure of power supply	Failure of 50% of all speakers	
Internetworki ng Devices (Routers/Swi tches/Hubs/B ridges)	3 Hrs	N/A	Complete loss of functionality of one or more internetworking devices (e.g. bridge or router) that prevents communication between two or more LAN segments/locations		
Telephone Sets	3 Hrs	N/A	Failure of 50% of all telephone sets	Attendant position inoperable preventing the passing of calls	

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Terms and Conditions - Continued

1. Maintenance Obligations

SaskTel ("SaskTel") agrees to use commercially reasonable efforts to maintain, as requested by the Customer, at the Service Addresses identified by the Customer, the Customer's equipment (hardware and/or software) described in the Equipment Schedule in Schedule A to the SOW (the "Equipment") in the same condition that the Equipment is in as of the applicable Cutover Date of the Equipment. The Cutover Date is the date on which SaskTel, in good faith, notifies the Customer that the Equipment is installed, ready for use, and functioning so as to be substantially providing the basic service for which the Equipment is intended. At no additional cost to the Customer, SaskTel agrees to extend to the Customer the benefit, to the extent provided by the manufacturer and as otherwise permitted by law, of any additional warranties with respect to the Equipment that SaskTel may from time to time receive from the Equipment manufacturer ("Additional Warranties"). If SaskTel receives updates, upgrades, fixes, modifications, replacements or enhancements for the Equipment free of charge from the manufacturer (the "Included Updates"), SaskTel shall, at the Customer's request, provide any such Included Updates at no cost to the Customer (excluding labour charges).

2. Customer Obligations

The Customer agrees to provide SaskTel with prompt and free access to the Equipment, together with Customer resources as SaskTel may reasonably require, to effect necessary repairs and maintenance. The Customer will not allow the Equipment to be serviced or maintained by any person other than authorized by SaskTel. SaskTel may take any reasonable steps to mark or otherwise identify any Equipment covered by First Service coverage. Such markings will assist subsequent maintenance. Any attempts to remove the markings will permit SaskTel to terminate First Service coverage. The Customer acknowledges that First Service coverage may not be cancelled or terminated prior to the end of the current term or renewal term except as expressly set out in Section 5.

3. Service Coverage Options

The Customer shall choose one of the service coverage options listed below, and such choice shall be expressly indicated herein:

a) *DayTime*. Service shall be provided from 8:00 a.m. to 5:30 p.m. Monday to Friday, local time, excluding statutory and SaskTel observed holidays.

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3. Service Coverage Options – Continued

b) *AnyTime*. Service shall be provided 24 hours per day, 7 days per week. "Other Time" means anytime outside the parameters of the *DayTime* Service coverage option

4. Charges

- a) The Customer agrees to pay to SaskTel a periodic or lump sum fee, as indicated in Schedule B to the SOW, in connection with *DayTime* and *AnyTime* Service coverage.
- b) The Customer agrees to pay SaskTel's prevailing charges and premiums, on a time and material basis, in connection with Other Time maintenance and work undertaken by SaskTel pursuant to Section 8. SaskTel's parts and labour charges are subject to change without notice to the Customer. Other Time maintenance includes a 2-hour minimum charge.
- c) The Customer agrees to pay any applicable taxes in connection with First Service coverage provided by SaskTel.
- d) Any invoice for the above charges and applicable taxes shall be payable upon receipt. Late payment charges calculated at SaskTel's then current rate will apply to overdue payments. The Customer shall not be entitled to set off any amount owing by SaskTel to it against the payment due under this Agreement.

5. Terms and Termination

- a) First Service coverage shall be effective for the maintenance term selected by the Customer and any renewal thereof.
- b) SaskTel agrees to provide the Customer with written notice of changes to the terms and conditions hereof 60 days prior to the expiry of the current term or renewal term. If the Customer is not satisfied with these changes they can terminate First Service coverage effective at the end of the current term or renewal term.
- c) If SaskTel does not notify the customer as specified in Article 5b of this Agreement, the term of this Agreement shall not renew and shall end upon the expiry of the maintenance term or the then current renewal term.

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Cisco UC 500 Communications Systems Terms and Conditions-Continued

5. **Terms and Termination** – *Continued*

- d) The Customer may, in its absolute discretion, terminate all or a portion of First Service coverage at any time prior to the end of the current term by giving notice to this effect to SaskTel at least 30 days prior to the proposed early termination date, provided that the Customer pays to SaskTel an amount equal to 65% of the remaining aggregate fees otherwise payable to the end of the current term as liquidated damages and not as a penalty.
- e) The Customer may terminate First Service coverage prior to the end of the current term or renewal term if SaskTel breaches a material obligation (excluding response objectives), by delivering written notice of such breach to SaskTel. If the breach remains unremedied after 30 days, the Customer may terminate First Service coverage, and Customer's payment obligations shall be terminated for the remainder of the current term or renewal term. If Customer has made payments in advance, SaskTel shall refund to Customer an amount equal to the charges covering the remainder of the current term or renewal term.
- SaskTel may terminate First Service coverage at any time with notice but without incurring any liability upon the occurrence of any default by the Customer, including but not limited to, the occurrence of any event in Section 7 or upon the Customer's failure to carry out or perform any of its obligations. In the event of termination by SaskTel for any such default, no refund of any payments made in advance will be payable by SaskTel to the Customer. The Customer agrees to pay SaskTel an amount equal to the remaining charges payable under this SOW for the balance of the current term or renewal term. Such amount shall be due and payable as the date of termination of First Service coverage, which shall coincide, with the last day of the current term or renewal term. Where the Customer received a discount on the initial purchase of the Equipment that was conditional on the Customer's participation in First Service coverage for a specific term, SaskTel shall be entitled to recalculate such discount based on the actual term of First Service coverage prior to the effective date of its termination, and the Customer agrees to pay to SaskTel the difference between the discount originally received and the discount the Customer would have received for the shorter term.
- g) If the Customer effectively deletes any Equipment from coverage under this SOW such deletion shall not alter the Customer's obligations under this SOW and specifically the Customer shall continue to be obligated to pay SaskTel the applicable rates and charges for the Equipment deleted by Customer.

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6. Service Response Objectives

SaskTel's target objective for a response time in urban centers is 3 hours including Regina, Saskatoon, Swift Current, Moose Jaw, North Battleford, Lloydminster, Prince Albert, Melfort, Yorkton, Weyburn, and Estevan. In all other locations the target response time objective as noted for urban centers shall be increased by 2 hours plus applicable travel time. Other locations are defined as locations within Saskatchewan below the 54th parallel as well as Meadow Lake, Pierceland, Goodsoil, Peerless, Dorintosh, Rapid View, Green Lake, Loon Lake and Makwa. Any location above the 54th parallel, with the exception of those named is considered to be SaskTel's special case to which no response time objective applies and will be dealt

- with on a case by case basis as agreed upon by SaskTel and the Customer.
- a) SaskTel undertakes to provide a response to a request for ongoing service ("Service Response") within the times as outlined in this Schedule.
- b) For the purposes of this Schedule a "Service Response" time shall be defined as the duration of time between the initial Customer report and SaskTel's initial response to the Customer report.
- c) For the purposes of this Schedule a satisfactory Service Response shall constitute one of the following:
 - i) The dispatch by SaskTel of a technician to the Customer site; or
 - ii) A status report to the Customer of actions taken to restore the Equipment to normal working condition.
- d) A Service Response in the form of a status report will be used when:
 - i) The Equipment is restored to normal working condition by means of a remote dial up procedure; and/or
 - ii) SaskTel determines, in its sole discretion, that it is unable to dispatch a repairman due to the high number of reported Equipment problems.

7. Service Exclusions

SaskTel shall not be obligated to provide First Service coverage and may terminate such coverage if and when:

a) the Equipment has been serviced, installed, altered, repaired or relocated, whether inside or outside SaskTel's operating territory, by any person other than SaskTel or personnel authorized by SaskTel;

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7. **Service Exclusions** – *Continued*

- b) the Equipment has been transferred in title without the written consent of SaskTel (which consent shall not be unreasonably withheld);
- c) the Equipment displays defects that are the result of mishandling, abuse, misuse, improper storage or operation, installation or maintenance by any person other than SaskTel or personnel authorized by SaskTel;
- d) the Equipment has been damaged by or fails to operate due to any external cause whatsoever including use in conjunction with equipment, software or systems which are electronically, mechanically or otherwise incompatible;
- e) the Equipment has not been used continuously in accordance with environmental conditions stipulated by both SaskTel or the manufacturer of the Equipment;
- f) the Equipment for whatsoever reason requires a fix, modification, replacement, upgrade, enhancement or update that is not an Included Update;
- g) the Equipment contains inherent defects or lacks any expected capability or functionality; or
- h) payments required to be made by the Customer to SaskTel are in arrears.

8. Services Provided at Additional Charge

At the Customer's request and expense, SaskTel may:

- a) repair any problems or damage caused by the Customer or by a third party, or other externally caused problems including damages that are referred to in Section 7, including cosmetic defects;
- b) install Included Updates or provide and install any other upgrades, enhancements, updates, fixes, modifications, replacements, or new features or functionality for any Equipment;
- c) move existing Equipment;
- d) inspect Equipment added by the Customer in accordance with Section 9;
- e) sell and install additional Equipment;
- f) service Equipment on a parts and labour basis, as long as parts are available, or replace such equipment with comparable equipment; and
- g) provide other services as agreed to between the parties.

Charges for all preceding services will be invoiced at prices determined by SaskTel from time to time.

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9. Maintenance Support of Existing SaskTel/Third Party Equipment

- a) An "attachment" is any accessory, equipment or device and the installation thereof that does not impair the original function or use of the Equipment and is capable of being removed without causing material damage to the Equipment. Any equipment that is not Equipment or that is an attachment shall not be covered by First Service coverage, unless the Customer and SaskTel agree to amend this SOW by adding any such equipment or attachment to the Equipment Schedule or the Acceptance Certificate in Schedule B, subject to the terms and conditions contained in Section 9(b).
- b) Upon inspection, testing and acceptance of existing SaskTel/third party equipment or an attachment by SaskTel at SaskTel's then applicable rates and charges, the Customer will be eligible for maintenance support on such equipment or attachment. Any such equipment or an attachment will require a 30 day period during which SaskTel will monitor it to ensure it functions satisfactorily with, and without interruption to, the Equipment. Such equipment or attachment will be maintained during the 30-day testing period at SaskTel's then applicable parts and labour rates. Any such equipment or attachment will be covered by this Schedule only commencing after the end of the 30-day period and only if it is determined, in SaskTel's discretion that it will not interfere with normal operation of the Equipment. Upon the addition of such equipment or attachment to this Schedule, the equipment or attachment shall become "Equipment" under this Schedule, and the pricing in the SOW will be amended to reflect any additional costs due to the addition of such equipment or attachment. The Customer will be invoiced for such additional charges from the date of SaskTel's acceptance of the equipment or attachment to the end of the current term. Where parts for any additional equipment or attachment are not available to SaskTel for repair purposes, the Customer will be responsible for providing replacement parts at the Customer's expense.
- c) Notwithstanding anything to the contrary in this Schedule, any equipment maintained or charged for by SaskTel in error under this Schedule shall not be deemed to be covered by the terms and conditions of this Schedule, and SaskTel expressly disclaims any liability in respect of such equipment, including for negligence or otherwise.



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10. Replacement Equipment

SaskTel will endeavor to repair defective Equipment prior to replacement. Should replacement Equipment be necessary in connection with Equipment the maintenance of which is excluded by Section 7 of this Schedule or otherwise, the replacement Equipment shall be charged to the Customer at SaskTel's prevailing rates. Replacement Equipment shall be new or equivalent to new and, once installed, shall become the property of the Customer. Once removed, the defective Equipment shall become the property of SaskTel.

11. Additional Equipment

- a) If, after signing of the SOW, the Equipment listed in Schedule A is increased or decreased, such change shall be effected by the issuance of an addendum or a corrected Acceptance Certificate to the Customer. Any reference to "Equipment" in this Schedule shall include such additional equipment.
- b) Notwithstanding Article 9 of this Schedule, SaskTel and Customer agree that if Customer wishes to add equipment to the maintenance services coverage provided by this Schedule at anytime during the term of this Schedule and SaskTel is willing to provide maintenance services for such additional equipment, no amendment to this Schedule used to document such additional equipment and the maintenance coverage option chosen for such additional equipment by the Customer shall be required to be signed by SaskTel and the Customer if the monthly charge for this maintenance services for such additional equipment is less than \$100 per month. In such cases SaskTel shall provide Customer with an updated Schedule of the total equipment covered by this SOW after any such addition or confirm the inclusion of such additional equipment in this Schedule and the associated monthly service charge for the service option chosen by the Customer for such additional equipment by letter or electronic communication to the Customer.

12. Manufacturer's Warranty

Manufacturer's warranty is provided free of charge to customers who purchase equipment through SaskTel. The Manufacturer's warranty may include manufacturer software support, return to manufacturer's depot and hardware replacement. Manufacturer's warranty does not include on-site service (i.e. no labour), sparing, or trouble shooting by SaskTel.



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12. Manufacturer's Warranty – Continued

For manufacturer's warranty, once the Customer determines there is a trouble with a piece of Equipment, SaskTel will facilitate the Manufacturer's Return Material Authorization (RMA) process for the duration of the manufacturer's designated warranty period for the specified product. This means that the Customer is responsible to contact SaskTel for only those products purchased from SaskTel to obtain the RMA tracking number to initiate a warranty return. The Customer accepts the responsibility for packaging, arranging for shipment, etc., directly to the manufacturer. Sparing is not provided as part of this warranty coverage. SaskTel will not send out field personnel to pick-up or fix defective Equipment covered by a manufacturer's warranty, unless the Customer requests SaskTel to do so and agrees to pay SaskTel's then applicable charges.

Different manufacturers' equipment has different time frames for warranty coverage depending on the manufacturer and on the individual piece of equipment. In all cases the warranty is Return-to-Depot. For example, Cisco's warranty coverage varies by piece of equipment with some having a 90 day warranty period and others having a limited lifetime warranty.

Manufacturer warranty periods vary based on whether or not SaskTel stocks the equipment. For all non-stocked equipment, the warranty period begins the day the equipment leaves the Manufacturer's or distributor's premises. Sometimes the equipment is shipped from out of country, and may take some time to reach SaskTel and/or the Customer. For example, if a piece of equipment has a 90 day warranty, and it takes 30 days to ship, clear customs, and be delivered, the Customer then has only 60 days of warranty coverage left.

Customers who choose to have only Manufacturer's warranty coverage are responsible to notify SaskTel with their date of purchase, serial number of equipment, and issue, so that SaskTel can initiate the RMA process.

This Special Provisions Attachment forms part of and is incorporated into the SOW between SaskTel and the Customer. Except as modified by the provisions of this attachment all terms and conditions of the SOW between SaskTel and the Customer are applicable to this attachment and remain in full force and effect. SaskTel and the Customer agree that because the Customer has elected not to purchase SaskTel First Service coverage for the Equipment at the time of purchase of the Equipment, any support services SaskTel provides for the Equipment at the



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12. Manufacturer's Warranty - Continued

Customer's request will be on a Time and Charges basis. The following are the terms and conditions that apply to Time and Charges coverage:

Time and Charges Terms and Conditions

Customer decides to have any equipment troubles resolved on a Time & Charges basis, the Customer must be aware of the consequences if an equipment trouble occurs without a SaskTel First Service agreement.

Customers who choose to go on a Time & Charges basis will have their equipment trouble calls dealt with on a best efforts basis during regular business hours. Customers whose troubles are handled on a Time & Charges basis must rely on replacement parts ordered from the Manufacturer and any delays associated with the Manufacturer delivery timeframes.

1. Manufacturer Warranty Coverage

VoIP and Data (LAN) equipment are covered by the Manufacturer's Warranty (manufacturer software support, return to manufacturer's depot hardware replacement). The Manufacturer's Warranty **does not** include on-site service (i.e. no labour) or sparing.

SaskTel will facilitate the manufacturer's Return Material Authorization (RMA) process for the duration of the manufacturer's designated warranty for the specified product.

Customer's must initiate the RMA process through SaskTel and return all defective parts back to the manufacturer through SaskTel.

Note: Please check with your Manufacturer Warranty as not to void any or all portions of it. Some Manufacturer's require that only a certified technician can handle any equipment that is being returned to the manufacturer.

2. Priority Response

Non-contracted customers must report their equipment troubles to the 611 Repair group. These calls will be dealt with on a best efforts basis during regular business hours, with no priority response. If a non-maintenance customer wants their trouble call to be escalated to the top of the non-contracted queue, they can pay a Priority Response Fee to escalate their repair.

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2. Priority Response - Continued

A Priority Response Fee of \$200.00 can be applied to request Dispatch Prioritization of field technicians (CSTs) sooner than established service objectives.

For repairs that are requested during regular business hours, customers who want a priority response will be charged as per SaskTel's then current applicable hourly rates, plus the additional \$200 Priority Response Fee. Any repairs requested after regular hours will be charged the minimum two hour applicable overtime rate plus the \$200 Priority Response Fee.

The Priority Response Fee does not expedite the remote diagnostics and troubleshooting conducted by the Internet Help Desk or the Business Communications Service Center (BCSC) for internet and network troubles. However, if the analysis of the internet or network trouble determines that a field technician must be dispatched to customer site,

the customer will have the option of paying the Priority Response Fee to have a field technician dispatched sooner than established service objectives.

For a Customer Premise Equipment (CPE)-related trouble requiring a field technician to be dispatched, if the customer signs a SaskTel First Service maintenance agreement within 30 days of such dispatch, the \$200 rescheduling fee may be waived. However, the SaskTel First Service maintenance agreement must include the specific equipment that had the original trouble.

NOTE: The Priority Response Fee does not guarantee a response time. SaskTel will use commercially reasonable effort when resources become available to assist the Customer with their trouble repair.

3. Access to Maintenance Spares

If the Customer has not purchased a SaskTel First Service Agreement, and an equipment failure occurs, the customer has the following option:

- Buy New Equipment from SaskTel; or
- Request SaskTel to repair the equipment and pay charges according to SaskTel's then applicable rates (no spares and no guaranteed response time). However, the Customer can pay the Priority Response Fee to move their trouble to the top of the non-contracted queue.

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Cisco UC 500 Communications Systems Terms and Conditions-Continued

3. Access to Maintenance Spares - Continued

If a non-maintenance customer wants access to a SaskTel First Service maintenance spare to resolve their equipment trouble while their new equipment is being shipped from the manufacturer, they must either purchase a SaskTel First Service agreement (minimum 12-months) at the time of the equipment trouble or if the equipment is not eligible for SaskTel First Service coverage, they must agree to purchase a new system from SaskTel that is supported by First Service. The cost of any equipment spare(s)* is chargeable, as well as any labour involved to resolve the equipment trouble. The customer is still responsible to pay the Priority Response Fee if they would like their trouble to be escalated to the top of the non-contracted queue. Before the customer can commit to a First Service agreement and in turn receive access to a maintenance spare, their equipment must be eligible for SaskTel First Service.

*A Maintenance spare will be used to resolve the equipment trouble on a permanent basis. When the new equipment purchased by the Customer arrives, it will be put into SaskTel's stock of Maintenance spares to replace the spare used to resolve the initial trouble. If the customer wants the newly purchased piece of equipment in place of the Maintenance spare provided by SaskTel, the Customer must pay for a site visit to have SaskTel swap the new piece of equipment with the Maintenance spare.

4. Configuration Restoration

Non-Maintenance customers that require the restoration of their Key System or PBX System are given the option to have their latest configuration back-up remotely uploaded on a Time & Charges basis. In some instances, the latest configuration that SaskTel has on file may be from the time of the original installation.

In the event that a customer's Key System or PBX system fails and the customer does not have a First Service agreement:

In order to restore the non-maintenance customer's system, the Technical Assistance Centre (TAC) will provide the Customer with the option of having their latest configuration back-up remotely uploaded to their system on a Time & Charges basis.

The TAC will complete these systems restorations during regular business hours, with no guaranteed response times and/or restorations times.

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4. Configuration Restoration - Continued

If the latest configuration back-up on file is not acceptable to the Customer and they would like their system to be programmed to the same state it was before the programming loss, SaskTel can manually reprogram the system at SaskTel's then current applicable rates.

NOTE: Customers must have an active Remote Access Device (RAD) to be eligible to receive the remote configuration upload. Customers with older Key System or PBX equipment, that is nearing their Manufacturer End-of-Life (EOL) date, may not be able to receive the remote configuration backup/upload. If the Customer does not have an Active RAD, the system can be programmed by the TAC at SaskTel's then current applicable rates. The TAC will address these instances on a case by case basis.

5. System Backups

Onsite or remote configuration backups are available to non-maintenance customers on a Time & Charges basis. The remote backups will be scheduled and conducted by the Technical Assistance Centre (TAC) during regular business hours. All copies of these

backups will be stored securely off-site in the TAC on a SaskTel server. The cost for the storage of the configuration backup is included in the initial cost of the backup.

6. Customer Programming Services

Customers that request customer programming services from SaskTel will be billed on a Time & Charges basis at SaskTel's then current applicable rates.

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